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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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Federal Communications Commission
Office of Secretary

In the Matter of)
)
Interconnection and Resale Obligations)
Pertaining to Commercial Mobile Radio)
Services)

CC Docket No. 94-54

COMMENTS OF
CENTURY CELLUNET, INC.

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In accordance with Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, Century Cellunet, Inc., ("Century") hereby submits its comments in response to the *Second Report and Order and Third Notice of Proposed Rulemaking* in the above captioned proceeding.¹ As detailed below, Century does not believe that the public interest would be served by the adoption of federal regulatory requirements governing automatic roaming between CMRS carriers. Rather, Century urges the Commission to allow market forces to govern the development of automatic roaming in the CMRS context.

I. Background

In the *Second Report and Order and Third Notice*, the Commission asks commenters to address whether cellular, broadband PCS, and select SMR operators should be required to provide automatic roaming service to other carriers on a nondiscriminatory basis.² The

¹ Interconnection and Resale Obligations Pertaining to Commercial Mobile Radio Services, FCC 96-284, (Aug. 13, 1996) [hereinafter *Second Report and Order and Third Notice*].

² *Id.* ¶ 22.

By: [Signature] *OK*

Commission declined to adopt an automatic roaming requirement in tandem with its decision to extend the existing cellular manual roaming obligation to broadband PCS and certain "covered" SMR operators, noting that the original record was "inconclusive" on the issue of automatic roaming and did "not present a basis for . . . [the adoption] of automatic roaming rules."³ At the same time, however, the Commission stated that the record reflected the need for up-to-date information on intervening developments concerning automatic roaming issues.⁴ Accordingly, the Commission asked commenters to discuss whether the public interest would be served by the adoption of rules governing the provision of automatic roaming service between CMRS operators.⁵

II. Century Urges The Commission To Allow Market Forces, Rather Than Regulatory Requirements, To Govern The Development of Automatic Roaming Between CMRS Carriers.

As the operator of numerous cellular systems throughout the country, Century is well aware of the impact of regulatory requirements governing arrangements between CMRS carriers. Generally, Century believes that, in a competitive environment, the public interest is served most effectively if arrangements between carriers are left to market forces, without regulatory intrusion. Regulatory requirements impose significant costs and burdens on service providers, and should be narrowly tailored to situations where there is a demonstrated need for regulatory intrusion.⁶

³ *Id.* ¶ 16.

⁴ *Id.*

⁵ *Id.* ¶ 17.

⁶ *See Second Report and Order and Third Notice*, ¶ 11.

Consistent with this view, Century urges the Commission not to adopt a CMRS automatic roaming requirement. Initially, as noted by the Commission, the record does not provide a basis for the adoption of an automatic CMRS roaming rule.⁷ In particular, there is no evidence of an unwillingness on the part of incumbent CMRS providers to deny roaming agreements to new entrants. Quite to the contrary, Century believes that existing operators have a strong economic incentive to enter into roaming agreements in order to increase their revenues.

Moreover, automatic roaming has evolved in the cellular context without regulatory intervention. Today, automatic roaming agreements among cellular carrier are sufficiently prevalent that most cellular subscribers can roam automatically anywhere in the country. The arrangements necessary to facilitate what is essentially nationwide automatic roaming in the cellular context developed as a result of market forces driven by subscriber demands and carriers' economic incentives to maximize their operating revenues. Century believes that these same forces are sufficient to ensure that widespread roaming capability is available to emerging CMRS operators.

In short, there is simply no basis for the adoption of federal regulatory requirements governing the automatic roaming arrangements between CMRS carriers. In view of the lack of evidence indicating that automatic roaming rules are needed, the successful development of automatic roaming in the cellular industry without regulatory intervention, and Congress's mandate that the Commission establish "a pro-competitive, de-regulatory national policy

⁷ *Id.* ¶ 16.

framework" for the telecommunications marketplace,⁸ Century asks the Commission to continue allowing CMRS carriers to negotiate automatic roaming contracts individually. The experience in the cellular context demonstrates that market forces are the most effective mechanism to ensure that carriers are able to secure agreements with respect to rates, terms, and conditions that respond to their unique situations and needs.

III. Conclusion

For the reasons set forth above, Century urges the Commission not to adopt regulatory requirements governing automatic roaming between CMRS carriers. The Commission refrained from adopting rules to this effect in the first instance because the record did not provide a basis for adoption of an automatic roaming requirement. Century submits that federal regulatory intervention in this area is still unsupported and unwarranted, and should be avoided.

Respectfully submitted,

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⁸ S. Cong. Rep. No. 104-230, 104th Cong., 2d Sess. 1 (1996).